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NSC BRIEFING ON SUEZ

1. O/NE believes that the DCI's briefing on the Suez question might profitably include some estimative material on the outlook for this situation. Section A below represents a summary of the still-relevant and valid conclusions of the recent SNIE on this subject. Section B embodies some additional O/NE views.

A. Key Points from SNIE 30-3-56: Nasser and the Middle East Situation

2. Nasser's move is primarily significant as a political and psychological threat to Western interests in Middle East, rather than as a direct peril to canal operation.

(a) Has strengthened anti-Western, anti-colonial and nationalist trends throughout area.

(b) If successful, will encourage future moves against foreign-owned pipelines and oil facilities.

(c) Not impossible for Egypt to run canal efficiently, and in short run at least Egypt will be anxious to justify its move by doing so. In time, however, Nasser would use unfettered control to advance his own political interests.

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3. Nasser's prestige heavily at stake on this issue, both in Egypt and the whole area.

(a) He is unlikely to accept any new accord involving international control unless the Western Powers, the USSR, the Colombo Powers, and other major shipping powers agreed in urging it upon him.

4. Recent developments are markedly to Soviet interest since they promise to:

(a) Widen gulf between the West and Egypt as well as other Arab and Asian states sympathetic to Nasser.

(b) Possibly strain relations between Western Powers as they try to agree on a concerted solution.

(c) Allow the USSR to participate in any negotiated solution of the crisis, thereby expanding its influence in the area.

5. The USSR will probably give Nasser political and economic support in resisting Western pressures short of war.

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(a) In event of Western military action against Nasser, it would probably seek to avoid direct involvement.

(1) Would possibly give covert military aid.

(2) Would exploit in UN and elsewhere Arab-Asian revulsion against Western use of force.

B. Additional O/NE Views

6. With regard to the question of Western military action against Nasser, we believe the following repercussions are important to note:

(a) Such action would be likely to bring direct reprisals against Western oil interests in the area. Syria would probably cut or sabotage the pipelines, and Egyptian-sponsored sabotage would probably take place against oil fields and facilities in Iraq, Saudi Arabia, and Lebanon.

(b) The Iraqi government, despite Nuri's private inclinations, would probably have to express support for Egypt, and would be likely to repudiate or at least sharply deemphasize Iraqi participation in the Baghdad Pact.

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(c) Local nationalist opposition to UK and French positions in Jordan, the Persian Gulf, and North Africa would be greatly intensified.

(d) Indian and other neutralist and anti-colonial powers, in addition to the Bloc, would make strong efforts in the UN and elsewhere to enlist world opinion against the move.

(e) The US would be confronted with the dilemma of supporting its allies in the face of the extensive world opposition suggested above, or of risking severe strains in the Western alliance by a refusal to support the UK and France.

7. The difficulties involved in reaching an international conference solution to this crisis will be great because of

(a) Egypt's unwillingness to accept any measure of international control going much beyond a reaffirmation of the principles of the 1888 Convention;

(b) French and UK desire not only to establish effective international control but also to demonstrate that "Nasserism doesn't pay."

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